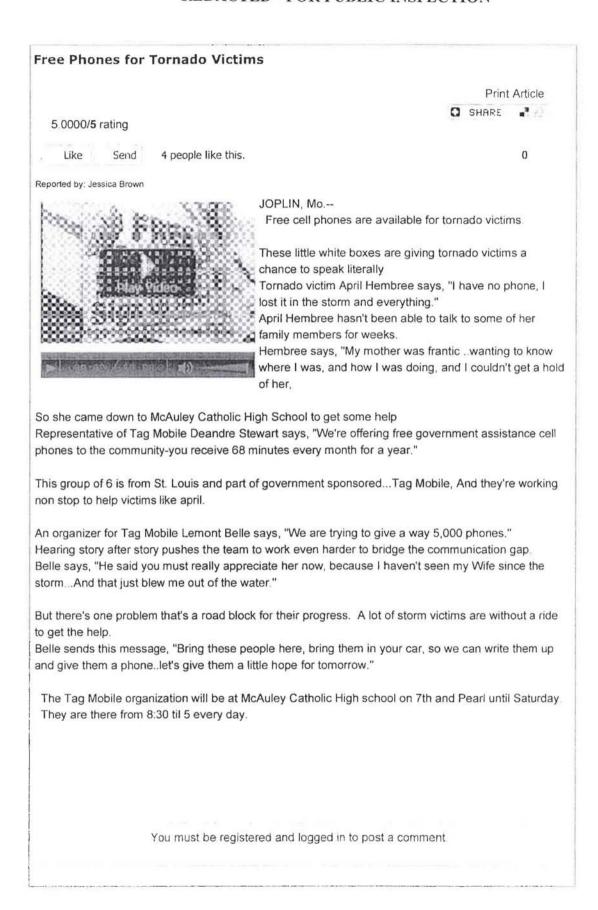
fourteen (14) days after the expiration of the applicable limited warranty period.

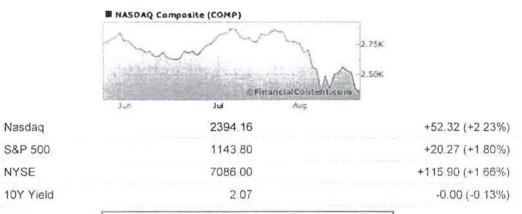
- d) The Product serial number plate or the enhancement data code has been removed, defaced or altered.
- e) The defect or damage was caused by the defective function of the cellular system or by inadequate signal reception by the external antenna, or viruses or other software problems introduced into the Product.
- f) The Product is outside of the one (1) year Limited Warranty period.
- (6) SafeLink does not warrant uninterrupted or error-free operation of the Product or service. SafeLink cannot and does not guarantee that your communications will be private or secure; it is illegal for unauthorized people to intercept your communications, but such interceptions can occur.
- (7) If a problem develops during the limited warranty period, the Consumer shall contact SafeLink Customer Care for repair or replacement processing of the Product. SafeLink shall, at its discretion, provide a replacement product that may consist of a refurbished phone of the same model if available, or of a comparable model.
- (8) You (the Consumer) understand that the product may consist of refurbished equipment that contains used components, some of which have been reprocessed. The used components comply with Product performance and reliability specifications.
- (9) SAFELINK EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THE FOREGOING LIMITED WARRANTY IS THE CONSUMER'S SOLE AND EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. SAFELINK SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED BENEFITS OR PROFITS, LOSS OF SAVINGS OR REVENUE, LOSS OF DATA, PUNITIVE DAMAGES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF ANY SUBSTITUTE EQUIPMENT OR FACILITIES, DOWNTIME, THE CLAIMS OF ANY THIRD PARTIES. INCLUDING CUSTOMERS, AND INJURY TO PROPERTY, RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM BREACH OF THE WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF SAFELINK KNEW OF THE LIKELIHOOD OF SUCH DAMAGES. SAFELINK SHALL NOT BE LIABLE FOR DELAY IN RENDERING SERVICE UNDER THE LIMITED WARRANTY, LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS RETURNED FOR REPLACEMENT OR WARRANTY SERVICE OR FOR THE LOSS OR UNAUTHORIZED USE OF CUSTOMER PASSWORDS, PERSONAL INFORMATION, CONTACTS, PICTURES, VIDEOS, APPLICATIONS, MUSIC, RINGTONES OR OTHER CONTENT.
- (10) Some states do not allow the exclusion or limitation of incidental and consequential damages, so certain of the above limitations or exclusions may not apply to you (the Consumer). This limited warranty gives the Consumer specific legal rights and the Consumer may also have other rights which vary from state to state.
- (11) SafeLink neither assumes nor authorizes any authorized service center or any other person or entity to assume for it any other obligation or liability beyond that which is expressly provided for in this limited warranty including the provider or seller of any extended warranty or service agreement.
- (12) This is the entire warranty between SafeLink and the Consumer, and supersedes all prior and contemporaneous agreements or understandings, oral or written, relating to the Product, and no representation, promise or condition not contained herein shall modify these terms.
- (13) This limited warranty allocates the risk of failure of the Product between the Consumer and SafeLink. The allocation is recognized by the Consumer and is reflected in the purchase price.

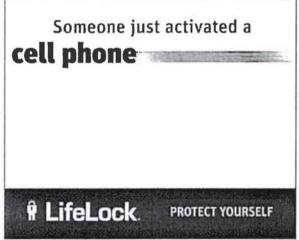
Certain mobile phone features may not be available throughout the entire network or their functionality may be limited. All plan rates, features, functionality and other product specifications are subject to change without notice or obligation. Color of phones may vary. All talk and standby times are quoted in Digital Mode and are approximate.

SafeLink, SafeLink Wireless, TracFone and TracFone Wireless are registered trademarks of TracFone Wireless, Inc. a subsidiary of América Móvil (NYSE: AMX).

# **EXHIBIT 5**







### Stock Quotes

Enter a ticker symbol below:

Enter symbol Symbol Lookup

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# **EXHIBIT 6**

COMMISSION \_....

STAN WISE, CHAIRMAN CHUCK EATON TIM G. ECHOLS H. DOUG EVERETT LAUREN "BUBBA" McDONALD, JR. FILED

AUG 2 8 2011

EXECUTIVE SECRETARY G.P.S.C.

DOCKED \$ 21955

DEBORAH K. FLANNAGAN EXECUTIVE DIRECTOR

REECE McALISTER EXECUTIVE SECRETARY

# Georgia Public Serbice Commission

(404) 656-4501 (800) 282-5813 244 WASHINGTON STREET, S.W. ATLANTA, GEORGIA 30334-5701

FAX: (404) 656-2341 www.psc.state.ga.us

Docket No. 21955

In Re:

Application of Telrite Corporation for Designation as an Eligible 137 993
Telecommunications Carrier on a Wireless Basis

# ORDER ON APPLICATION FOR DESIGNATION AS ELIGIBLE TELECOMMUNICATIONS CARRIER

## Background

On August 2, 2010, Telrite Corporation ("Telrite") filed with the Georgia Public Service Commission ("Commission") its Application for Designation as an Eligible Telecommunications Carrier on a Wireless Basis. Telrite is not seeking Universal Service Fund ("USF") support for the purpose of providing service to high cost areas, but rather is seeking designation for the limited purpose of offering Lifeline service to qualified households.

Telrite asserts that it meets all the requirements of the Federal Communications Commission ("FCC") for designation as an ETC. 47 C.F.R. § 54.101(a) requires the following services and functionality: (1) Voice grade access to the public switched telephone network, (2) Local usage, (3) Dual tone multi-frequency signaling or its functional equivalent, (4) Single-party service or its functional equivalent, (5) Access to 911 and E911 emergency service, (6) Access to operator services, (7) Access to interexchange service, (8) Access to directory assistance, and (9) Toll limitation for qualified low-income customers.

Telrite also asserted that it meets the additional eligibility criteria that ETC applicants must satisfy in order to be granted ETC status adopted by the FCC in its March 17, 2005 Report and Order. The FCC found that ETC applicants must demonstrate: (1) a commitment and ability to provide the supported services throughout the designated area; (2) the ability to remain functional in emergency situations; (3) that it will satisfy consumer protection and quality of service standards; (4) that it offers local usage

comparable to that offered by the incumbent LEC; and (5) an acknowledgement that it may be required by the FCC to provide equal access if all other ETCs in the designated service area relinquish their designations pursuant to Section 214(e)(4) of the Act.

Telrite's Lifeline product is a wireless-based service, with no monthly service charge and up to 250 minutes of local and long-distance usage per month. Telrite does not require a credit check, deposit, or long-term contract. Additional minutes and text messages are priced at \$0.099 and \$0.05, respectively. Telrite customers do not incur charges for roaming.

Telrite is also requesting Link-Up funding. Telrite's customary activation charge is \$60, which, after the Link-Up subsidy, is reduced to \$30. The company will waive the remaining \$30 for Lifeline customers. The company will also provide new customers with a handset free of charge.

Telrite requests ETC designation in the non-rural exchange areas shown in Exhibit 1 to this order.

Telrite provided evidence that it is a facilities-based carrier and therefore meets the requirements of 47 U.S.C. §214(e)(1)(A). Telrite also committed to "advertise the availability of such services and the charges therefor using media of general distribution." 47 U.S.C. §214(e)(1)(B).

Telrite submitted its proposed advertising, customer sign-up form, and terms and conditions of service.

Telrite also submitted its proposed "non-usage plan" in accordance with the Commission's decision in Docket Nos. 18664 and 26282. In those dockets, the Commission found that it was appropriate to require Lifeline-only ETCs that provide service with no monthly fee to monitor the usage of their customers and disconnect customers that have not used the service for 60 days.

In its October 15, 2007 order in Docket No. 10396 approving the ETC Application of Alltel Communications, Inc. ("Alltel"), the Commission adopted the Staff's recommendation. In that docket, the Staff recommendation was as follows:

[T]he Staff recommends that the Commission approve Alltel's Application with the following conditions and filing requirements:

- The Commission reserves the right to conduct audits as needed to determine that the funds are used for permitted purposes.
- Alltel's ETC designation may at any time be suspended or revoked by order of the Commission.

- Alltel shall make all service offerings, including Lifeline/ Link-Up available on its internet website.
- Alltel shall file within 30 days of approval of its ETC application its terms and conditions of service, and rate plans including its Link-Up and Lifeline discounts available to qualifying low-income customers. Further, Alltel shall have the ongoing obligation to notify the Commission of any future changes to its rates, terms, or conditions.
- Alltel shall file within 30 days of approval of its ETC application proposed language to be used in all advertising of Lifeline/ Link-Up services and on its website. The language should include information directing customers to the Commission's Consumer Affairs unit for complaints regarding any service issues. The Staff shall have the right to review and make changes to any proposed language.
- Alltel shall file the following information on March 31, 2008 (and updated information every March 31 thereafter, unless otherwise ordered by the Commission):
  - A map showing Alltel's actual January 2007 service area, and a map showing the January 2008 estimated service area *increase* or decrease. Additionally, the map should include locations of all new facilities constructed.
  - 2. Alltel shall report all instances in which the company refuses to serve a customer. Alltel shall be required to provide information regarding the specific location of the customer (street address), the company's rationale for refusal of service, and the company's progress with establishing interconnection arrangements which permit resale of either wireless or Incumbent Local Exchange Carrier ("ILEC") services in the customer's location.
  - 3. Estimated total 2007 federal funds, actual total federal funds received in 2007, and estimated total funds to be received in 2008.
  - 4. A spreadsheet listing each wire center, the name of the ILEC associated with that wire center, estimated 2007 expenses (from trade secret filing made with the Application), actual 2007 expenses, and estimated 2008 expenses.

#### Staff Recommendation

The Staff recommended that the Commission designate Telrite as an ETC in the areas shown in Exhibit 1 for the limited purpose of providing Lifeline service, and that the Commission apply the same conditions to Telrite as it did Alltel, to the extent those conditions apply to Lifeline service.

The Staff further recommended that the Commission condition the grant of ETC designation to Telrite upon the company's satisfactory resolution of complaints filed with the Commission in connection with Telrite's Lifeline service offering, consistent with the Commission's decision in Docket No. 26282, Application of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Georgia for the Limited Purpose of Offering Lifeline Service to Qualified Households.

The Commission finds the Staff's recommendation reasonable and hereby adopts the Staff's recommendation.

## WHEREFORE, it is

**ORDERED**, that Telrite is granted ETC designation for the limited purpose of providing Lifeline and Link-Up service.

**ORDERED FURTHER**, that the conditions imposed upon Alltel in Docket No. 10396 shall be imposed upon Telrite, to the extent those conditions apply to Lifeline service.

**ORDERED FURTHER**, that Telrite's ETC designation shall also be conditioned upon the satisfactory resolution of complaints filed with the Commission's Consumer Affairs Unit, consistent with the Commission's decision in Docket No. 26282.

**ORDERED FURTHER**, that any proposed increases in the company's Lifeline rates or connection charges, or any proposed surcharges, other than those specifically provided for in State or Federal law, will require an amendment to the company's ETC designation.

**ORDERED FURTHER**, that Telrite will include its lowest cost Lifeline product in all advertisements.

**ORDERED FURTHER**, that Telrite's non-usage plan is hereby approved.

**ORDERED,** that Telrite shall file with the Commission quarterly reports, due no later than 15 days from the close of each quarter, that report the number of customers that have been deactivated for not having activity in a 60-day period, the number of customers

that did not pass annual verification, and the number of customers that were voluntarily deactivated.

**ORDERED FURTHER**, that a motion for reconsideration, rehearing, oral argument, or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

**ORDERED FURTHER**, that jurisdiction over this matter is expressly retained for the purpose of entering such further Order(s) as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on the 16<sup>th</sup> day of August 2011.

Reece McAlister

**Executive Secretary** 

Chairman

DATE

DATE

## Exhibit 1

## Non-Rural Wire Centers

Company	Wire Center
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>ACWOGAMA</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	AGSTGAAU
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	AGSTGAFL
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	AGSTGAMT
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	AGSTGATH
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	AIVLGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ALBYGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ALPRGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	AMRCGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	APNGGAES
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ARTNGAES
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ASTLGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATHNGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGAAD
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGABH
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGABU
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGACD
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGACS
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGAEL
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGAGR
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGAHR
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGALA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGAPP
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGASS
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGATH
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGAWD
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	ATLNGAWE
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>BCHNGAES</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>BCTNGAMA</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>BGRTGAMA</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	BLCSGAES
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	BNBRGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	BNTNTNMT
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>BRMNGAES</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>BRVIGAMA</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	BRWKGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	BUFRGABH
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	BWDNGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>BXLYGAES</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	CCHRGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>CDTWGAMA</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	CHMBGAMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	CHTGTNBR
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	<b>CHTGTNNS</b>
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	CHTGTNRO
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	CHTGTNSE
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	CLHNGAES
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	CLXTNGAMA
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BELLSOUTH TELECOMM INC DBA SOUTHERN BELL	L TEL & TEL CNCRGA	
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL CNYRGA	AMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL CORDGA	
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL CRHLT	
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL CRTNGA	MA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL	L TEL & TEL CRVLGA	AMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL CSSTGA	MA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL	L TEL & TEL CVSPGA	MA
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL	L TEL & TEL CVTNGA	AMT
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL CXTNG	AMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL DBLNGA	
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL		
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL		
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL		AHS
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL		MA
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BELLSOUTH TELECOMM INC DBA SOUTHERN BEL		MA
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL		ASG
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BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL GNVLGA	AMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL GRFNGA	AMA
BELLSOUTH TELECOMM INC DBA SOUTHERN BEL	L TEL & TEL GSVLGA	MA
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BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	SVNHGAGC
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	SVNHGASI
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	SVNHGAWB
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	SVNHGAWI
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	SWBOGAES
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	SYLVGAES
BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL	TBISGAMA
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SELENGUIN TELECOMMUNE, DEA SOCTHERN BELL TELEVILLE	THE CASE SERVED

BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL T	LLPGAES
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL TN	MPLGAMA
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL TU	JKRGAMA
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL VI	DALGAMA
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL VI	LDSGAMA
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL V	LRCGAES
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL W	DBYGAES
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL WI	DLYGAMA
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	rel w	DSTGACR
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	rel w	GVLGAES
				BELL TEL & T		RNSGAMA
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL & 7	TEL WI	RRBGAMA
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL &	TEL WI	RTNGAMA
				BELL TEL & 7		TVLGAES
				BELL TEL & T		YBOGAES
				BELL TEL & 7		CRGAMA
BELLSOUTH	TELECOMM	INC DBA	SOUTHERN	BELL TEL & 7	TEL ZB	LNGAMA

## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 10th day of November, 2010.

In the Matter of the Application of Telrite	)	
Corporation for Designation as an Eligible	)	
Telecommunications Carrier on a Wireless	)	File No. XO-2011-0062
Basis (Low Income Only)	)	

# ORDER GRANTING DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

Issue Date: November 10, 2010 Effective Date: November 20, 2010

**Syllabus:** Through this order, the Missouri Public Service Commission grants eligible telecommunications carrier status to Telrite Corporation for the purpose of receiving low-income and disabled customer support in the AT&T Missouri service areas.

## Background

Telrite filed its verified application on September 2, 2010, for designation as an Eligible Telecommunications Carrier on a Wireless Basis solely for the purpose of providing the services supported by and participating in the Low Income Programs of the Universal Service Fund. The Commission issued an order directing that notice of the application be sent and setting an intervention deadline of September 29. There were no applications to intervene. The company thereafter filed a supplement to the application by referencing certain additional commitments which the Commission found necessary in other ETC dockets.

The Staff of the Commission filed its recommendation on November 4, 2010. Staff recommends that the Commission grant Telrite's application to be designated as an ETC for the receipt of low-income support from the federal Universal Service Fund.

#### Discussion

The application is within the Commission's jurisdiction.<sup>1</sup> Because no party objects to Telrite's application, no evidentiary hearing is required.<sup>2</sup> Thus, the Commission deems the hearing waived<sup>3</sup> and bases its findings on the verified filings, and makes its conclusions as follows.

Telrite is a Georgia corporation authorized to do business in the State of Missouri.

This Commission has previously granted to Telrite the authority to provide interexchange telecommunications service in Missouri.

4 Telrite is in compliance with the Missouri USF Assessment, this Commission's assessment and its annual report.

As required by the Federal Communications Commission and this Commission's rule, Telrite will provide service using at least a portion of its own facilities. It will ensure that certain service features are provided: touchtone, single-party, access to 911, IX service, relay (711), directory assistance, operators and toll limitation. Because the company is a wireless service, it will, within 30 days of receiving ETC status, make an informational filing describing all service offerings. It has committed to providing service throughout the proposed service area and in a timely manner, to remain functional in emergencies, to satisfy consumer protection and quality of service standards, to offering a comparable usage plan to the incumbent, and to maintain records of customer complaints.

<sup>&</sup>lt;sup>1</sup> 47 U.S.C. §214(e)(2).

<sup>&</sup>lt;sup>2</sup> State ex rel. Rex Deffenderfer Ent., Inc. v. Public Service Comm'n, 776 S.W.2d 494 (Mo.App.1989).

<sup>&</sup>lt;sup>3</sup> Section 536.060, RSMo

<sup>&</sup>lt;sup>4</sup> File No. XA-2004-0197.

The company has provided statements that it will provide equal access if all other ETCs in that service area relinquish their ETC designations. It has also stated that it will satisfy consumer privacy protection standards. The company will also provide a clear bill design, provide online customer service contact information as well as billing statements. It will publicize Lifeline and will not collect a deposit from a Lifeline subscriber if the consumer voluntarily elects toll limitation service nor will it change a Lifeline subscriber a monthly number portability charge.

Consistent with the federal plan, the company will provide the following discounts:

Tier 1: \$1.75 (fed discount)

Tier 2: \$6.50 (waive subscriber line charge), which it limited to ILEC's subscriber line charge

Tier 3: \$1.75 (half of a state's or carrier's contribution)

\$3.50 state MoUSF for a maximum of \$13.50.

Also, under FCC rules, the company is required to comply with state verification procedures in states that mandate state Lifeline support. This Commission requires the company to verify a customer's initial and continued eligibility and develop a process for documentation received. Finally, the company is to notify the Commission of any changes in contact information.

The Staff of the Commission points out that Telrite proposes to offer a wireless service for qualifying low-income customers. The proposed service will provide essentially a free wireless handset to qualifying customers with no monthly fees, and 68 minutes of usage per month with additional usage available for fees. Staff further notes that the company does not intend to seek Missouri USF funding for this service. Staff concludes that the company meets all requirements for ETC designation in order to receive low-income support.

Based upon the company's verified application and Staff's verified Memorandum, the Commission will grant Telrite's application and designate the company has an eligible telecommunications carrier.

### THE COMMISSION ORDERS THAT:

- Telrite Corporation's application as an Eligible Telecommunications Carrier for the receipt of low-income support from the federal Universal Service Fund is granted.
  - 2. This order shall become effective on November 20, 2010.
  - 3. This case shall be closed on November 21, 2010.

BY THE COMMISSION

Steven C. Reed Secretary

(SEAL)

Clayton, Chm., Davis, Jarrett, Gunn, and Kenney, CC., concur.

Jones, Senior Regulatory Law Judge

# PUBLIC SERVICE COMMISSION OF WEST VIRGINIA CHARLESTON

Entered: December 2, 2010

FINAL

12/22/2010

CASE NO. 10-1306-T-PC

#### TELRITE CORPORATION

Petition for consent and approval for limited designation as an eligible telecommunications carrier.

## RECOMMENDED DECISION

On August 18, 2010, Telrite Corporation (Telrite), a public telephone utility, Covington, Georgia, filed a petition with the Public Service Commission of West Virginia, pursuant to Section 214(e)(2) of the Telecommunications Act of 1934, as amended (Act), seeking designation as an eligible telecommunications carrier (ETC) throughout West Virginia for the purposes of receiving federal universal service fund (USF) support for providing wireline and wireless services through various low-income programs. Telrite asserted that, by Order entered on January 9, 2006, in Case No. 05-1062-T-CN, the Commission had authorized Telrite to provide resold local exchange telecommunications services throughout West Virginia, and, by Order entered on September 20, 2006, in Case No. 06-0406-T-CN, the Commission had authorized Telrite to provide facilities-based local exchange telecommunications services throughout West Virginia. Telrite is a competitive local exchange carrier (CLEC). Telrite asserted that it meets all of the qualifications necessary to be designated as an ETC under Act §214(e)(1) solely to provide services supported by and participating in the low income programs of the USF. Telrite provides CLEC services throughout West Virginia and is committed to provide those services at reasonably priced rates to areas where such services are not currently available. Telrite's offer in this case includes providing a handset at no cost to the subscriber. Telrite's proposal is to supplement, and not detract from, its current service offerings, and does not seek ETC designation beyond the geographic area for which it already has received certification. Telrite asserted that its proposal would benefit wireline and wireless customers by increasing customers' competitive choices; increasing the customers' geographical local calling areas by providing the customers with this service for a preset amount of air time at no charge, with the flexibility to purchase additional air time (with 911 and E911 services not using air time minutes); and otherwise make Telrite's service offering more appealing and valuable to its customers, outweighing any potential harms. Telrite provides Lifeline and Link-Up services that benefit needy low-income consumers, which enables many to obtain wireline and/or wireless services who otherwise would not be able to obtain those services. Telrite summarized several other components of its offering in support of receiving designation as an ETC.

On September 20, 2010, Staff Attorney Lisa L. Wansley filed the Initial Joint Staff Memorandum, attaching the September 15, 2010 Utilities Division Initial Recommendation from Utilities Analyst David Kennedy, indicating that, once it had completed its investigation, Commission Staff would submit a substantive recommendation. Staff detailed the specific requirements that Telrite must meet before the Commission can designate it as an ETC and outlined several documents and other information that Staff required before it could make a final substantive recommendation.

By the Commission Referral Order entered on September 28, 2010, the Commission referred this case to the Division of Administrative Law Judges (ALJ Division) for decision on or before March 16, 2011.

On October 4, 2010, Telrite filed responses to data requests from Staff.

By the Procedural Order issued on November 5, 2010, the Administrative Law Judge (ALJ) ordered that, on or before Tuesday, November 16, 2010, Commission Staff file its final substantive recommendation, and, on or before Monday, November 29, 2010, Telrite Corporation file its response to Staff's final substantive recommendation.

On November 10, 2010, Staff Attorney Wansley filed the Final Joint Staff Memorandum, attaching the November 8, 2010 Utilities Division Final Recommendation from Mr. Kennedy. Staff outlined the requirements that a telecommunications provider must meet in order to receive ETC status. Staff opined that Telrite was a common carrier as determined by federal law, citing §153(10) of the Act, and stating that the Commission had granted Telrite a certificate of public convenience and necessity to provide resold local exchange telecommunications services in Case No. 05-1062-T-CN and to provide facilities-based local exchange telecommunications services in Case No. 06-0406-T-CN. Telrite offers the services using its own facilities, or a combination of its own facilities and resale, throughout its designated service area. Telrite has an interconnection agreement with Verizon West Virginia Inc., now Frontier West Virginia Inc., approved by the Commission in Case No. 07-2260-T-PC, and also has mobile virtual network operator agreements with AT&T and Verizon nationwide. Telrite offers at least some portion of the Lifeline services through its own facilities as prescribed by the Federal Communications Commission (FCC). Telrite plans to advertise the availability of the Lifeline and Link-Up services using generally distributed media. Telrite meets its universal service obligations throughout its service territory, which it has requested to be the same as Frontier's service area. Telrite can provide voice-grade access to the public switched telephone network; local usage; dual-tone multi-frequency signal or its equivalent function; single party service or its functional equivalent; access to emergency services; access to operator services; access to interexchange services; access to directory assistance; and toll limitation for qualifying low-income customers. Telrite must satisfy applicable consumer protection and quality standards; file annually a report showing consumer complaints per 1,000 customers and demonstrate its ability to remain functional during emergency situations. Telrite does not have to submit a five-year plan describing proposed improvements or upgrades to its network since it is just seeking ETC status for the Lifeline and Link-Up services and not the high-cost programs. Telrite also assured Staff that it would ensure

that a single customer only receives one Lifeline discount by requiring each affected customer to certify annually, in writing, that the customer is the head of the household; participates in one of the state-approved means-tested programs; receives Lifeline-supported services solely through Telrite; and will notify Telrite if the customer is no longer eligible for Lifeline assistance. Telrite has asserted that it will use 100% of the USF support for providing the Lifeline program. Based on the above, Staff recommended that the Commission grant Telrite ETC status for the sole purpose of offering wireline and prepaid wireless Lifeline and Link-Up service to low-income households in West Virginia supported by the USF, and not the high cost program. Staff indicated that Telrite would provide these services under the name of Life Wireless, which would charge a \$30.00 activation fee for Lifeline customers which will be collected via agent store fronts, checks, credit card and money order. As long as the customer remains legitimately eligible for the Lifeline program, Telrite will provide the following services without additional charge:

- 1. Customers will incur no contractual obligation to continue service;
- 2. Customers will incur no roaming charges;
- No cash deposit obligation is required for customers enrolled in the Lifeline program;
- 4. Customers may purchase additional minutes in denominations of \$10.00 (101 minutes), \$25.00 (252 minutes) and \$50.00 (unlimited talk and text);
- 5. Unless the customer is on the unlimited plan, text messaging is charged at a rate of \$0.05 per message;
- 6. Purchased minutes do not expire at the end of the 30-day service cycle and remain available until used or the customer account is terminated;
- 7. Eligible customers qualifying under the Lifeline program will receive a free handset with E911 capability;
- 8. Eligible customers qualifying under the Lifeline program will receive 68 free minutes each month. Unused minutes will roll over to the next month and do not expire for active customers; and
- 9. Eligible customers qualifying under the Lifeline program will receive free voice mail, caller ID, call waiting and call forwarding features which will remain in effect after the 68 free minutes have been consumed.

Finally, Staff recommended that the Commission require that Telrite file the appropriate tariff sheet revisions to its wireline service tariff currently on file and provide a tariff outlining the terms and conditions of service for wireless customers qualifying for the Lifeline and Link-Up programs.

On November 12, 2010, Telrite filed a letter accepting Staff's final substantive recommendations.

## DISCUSSION

Having considered all of the above, since no dispute remains to be resolved in this proceeding, the ALJ will consider the parties to have waived their rights under *West Virginia Code* §24-1-9(b) to file proposed findings of fact and conclusions of law, or briefs, in this proceeding, or to a hearing.

The ALJ holds that, since Telrite accepts Staff's recommendation to grant ETC status to Telrite as prescribed by Staff, he will grant Telrite ETC status to the extent recommended by Staff.

## FINDINGS OF FACT

- Telrite Corporation filed an application under §214(e)(2) of the Communications Act of 1934, as amended, seeking designation by the Commission as an ETC for the sole purpose of providing "Lifeline" and "Link Up" service to qualifying low income West Virginia consumers. Telrite indicated that it will not seek access to the USF for the purpose of providing service to highcost locales. Pursuant to Case No. 05-1602-T-CN, Telrite is a reseller of local exchange services throughout West Virginia, providing its services through a virtual network comprised of services provided by numerous licensed wireless networks, and, pursuant to Case No. 06-0406-T-CN, Telrite provides facilities based services throughout West Virginia. Telrite asserted that it meets all of the qualifications necessary to be designated as an ETC under Act §214(e)(1) solely to provide services supported by and participating in the low income programs of the USF. Telrite provides CLEC services throughout West Virginia and is committed to provide those services at reasonably priced rates to areas where such services are not currently available. Telrite's offer in this case includes providing a handset at no cost to the subscriber. Telrite's proposal is to supplement, and not detract from, its current service offerings, and it does not seek ETC designation beyond the geographic area for which it already has received certification. Telrite asserted that its proposal would benefit wireline and wireless customers by increasing customers' competitive choices; increasing the customers' geographical local calling areas by providing the customers with this service for a preset amount of air time at no charge, with the flexibility to purchase additional air time (with 911 and E911 services not using air time minutes); and otherwise make Telrite's service offering more appealing and valuable to its customers, outweighing any potential harms. Telrite provides Lifeline and Link-Up services that benefit needy low-income consumers, which enables many to obtain wireline and/or wireless services who otherwise would not be able to obtain those services. Telrite summarized several other components of its offering in support of receiving designation as an ETC. (See, petition filed on August 18, 2010).
- 2. Staff recommended that the Commission designate Telrite as an ETC throughout West Virginia, provided that Telrite provides its customers access to basic 911 and enhanced E911 services, provides E911-compliant handsets to all new Telrite customers and replaces non-compliant handsets at no charge to existing customers. The ETC status to be granted to Telrite is solely for the purpose of Telrite offering wireline and prepaid wireless Lifeline and Link-Up services to low-income households in West Virginia, not the high-cost program, supported by the USF. (See, Final Joint Staff Memorandum, with attachment, file on November 10, 2010).

- 3. Telrite will provide the Lifeline and Link-Up services under the name of Life Wireless, which would charge a \$30.00 activation fee for Lifeline customers that will be collected via agent store fronts, checks, credit card and money order. As long as the customer remains legitimately eligible for the Lifeline program, Telrite will provide the following services without additional charge:
  - (a) Customers will incur no contractual obligation to continue service;
  - (b) Customers will incur no roaming charges;
  - No cash deposit obligation is required for customers enrolled in the Lifeline program;
  - (d) Customers may purchase additional minutes in denominations of \$10.00 (101 minutes), \$25.00 (252 minutes) and \$50.00 (unlimited talk and text);
  - (e) Unless the customer is on the unlimited plan, text messaging is charged at a rate of \$0.05 per message;
  - (f) Purchased minutes do not expire at the end of the 30-day service cycle and remain available until used or the customer account is terminated;
  - (g) Eligible customers qualifying under the Lifeline program will receive a free handset with E911 capability;
  - (h) Eligible customers qualifying under the Lifeline program will receive 68 free minutes each month. Unused minutes will roll over to the next month and do not expire for active customers; and
  - (i) Eligible customers qualifying under the Lifeline program will receive free voice mail, caller ID, call waiting and call forwarding features which will remain in effect after the 68 free minutes have been consumed.

(See, Final Joint Staff Memorandum, with attachment, file on November 10, 2010).

- 3. Staff also recommended that the Commission require that Telrite file the appropriate tariff sheet revisions to its wireline service tariff currently on file and provide a tariff outlining the terms and conditions of service for wireless customers qualifying for the Lifeline and Link-Up programs. (See, Final Joint Staff Memorandum, with attachment, file on November 10, 2010).
- 4. Each of Telrite's Lifeline customers in West Virginia will receive 68 minutes of air time each month for all months in which the customers are enrolled in the program and any unused minutes will roll over to the following month. (See, Final Joint Staff Memorandum, with attachment, file on November 10, 2010).
- 5. Eligibility for participation in Telrite's Lifeline program will be based upon customer enrollment in certain public assistance programs. Under Telrite's eligibility plan, applicants will be required to self-certify under penalty of perjury that they are enrolled in one of those qualifying public assistance programs. (See, Final Joint Staff Memorandum, with attachment, file on November 10, 2010).

6. Telrite has demonstrated that it will comply with each of Staff's final substantive recommendations. (See, Final Joint Staff Memorandum, with attachment, file on November 10, 2010).

## CONCLUSIONS OF LAW

- 1. Telrite has demonstrated that it is a common carrier capable of offering and advertising all of the service offerings set forth in Section 214(e) of the Telecommunications Act of 1996 for eligible telecommunications carriers through the designated service areas, using either its own facilities or a combination of its own facilities and the resale of another carrier's services, for the sole purpose of providing Lifeline and Link Up services to all qualifying customers who request such service in West Virginia.
- 2. Telrite should be designated as an ETC to provide Lifeline and Link Up services to all qualifying customers who request such service in West Virginia.
- 3. It is reasonable to require that the Commission's Executive Secretary provide the FCC and the Universal Service Administrative Company a certified copy of this Order designating Telrite as an ETC to provide Lifeline and Link Up services to all qualifying customers who request such service in West Virginia, but that Telrite will not seek access to funds from the federal Universal Service Fund for the purpose of providing service to high-cost locales.
- 4. It is reasonable to require that Telrite publish a Notice of the granting of its petition for designation as an ETC solely to provide Lifeline and Link Up services to all qualifying customers who request such service in West Virginia, as a Class I legal advertisement once in a newspaper duly qualified by the Secretary of State, published and generally circulated in each of the 19 cities designated for statewide legal publications.

## ORDER

IT IS, THEREFORE, ORDERED that the application filed with the Commission on August 18, 2010, by Telrite Corporation, under §214(e)(2) of the Communications Act of 1934, as amended, seeking designation by the Commission as an Eligible Telecommunications Carrier for the sole purpose of providing "Lifeline" and "Link Up" service to qualifying low income West Virginia consumers, be, and hereby is, approved, provided that Telrite provides:

- 1. Its customers access to basic 911 and enhanced E911 services;
- 2 E911 compliant handsets to all new Telrite customers and replaces noncompliant handsets at no charge to existing customers;

- 3. The eligible service for the sole purpose of offering wireline and prepaid wireless Lifeline and Link-Up service to low income households in West Virginia supported by the USF, and not the high cost program;
- 4. These services under the name of "Life Wireless," which will charge a \$30.00 activation fee for Lifeline customers which will be collected via agent store fronts, checks, credit card and money order. As long as the customer remains legitimately eligible for the Lifeline program, Telrite will provide the following services without additional charge:
  - (a) Customers will incur no contractual obligation to continue service;
  - (b) Customers will incur no roaming charges;
  - (c) No cash deposit obligation is required for customers enrolled in the Lifeline program;
  - (d) Customers may purchase additional minutes in denominations of \$10.00 (101 minutes), \$25.00 (252 minutes) and \$50.00 (unlimited talk and text);
  - (e) Unless the customer is on the unlimited plan, text messaging is charged at a rate of \$0.05 per message;
  - (f) Purchased minutes do not expire at the end of the 30-day service cycle and remain available until used or the customer account is terminated;
  - (g) Eligible customers qualifying under the Lifeline program will receive a free handset with E911 capability;
  - (h) Eligible customers qualifying under the Lifeline program will receive 68 free minutes each month. Unused minutes will roll over to the next month and do not expire for active customers; and
  - (I) Eligible customers qualifying under the Lifeline program will receive free voice mail, caller ID, call waiting and call forwarding features which will remain in effect after the 68 free minutes have been consumed.(a) Telrite will provide E911 compliant handsets to all Lifeline customers and non-compliant handsets in the possession of existing Telrite customers will be replaced with E911 compliant handsets at no charge to the customers upon their enrollment in the Lifeline program;
- 5. Each of Telrite's Lifeline customers in West Virginia will receive 68 minutes of airtime each month for all months in which the customers are enrolled in the program and any unused minutes will roll over to the following month;
- 6. Eligibility for participation in Telrite's Lifeline program will be based upon customer enrollment in certain public assistance programs. Under Telrite's eligibility plan applicants will be required to self-certify under penalty of perjury that they are enrolled in one of those qualifying public assistance programs; and

IT IS FURTHER ORDERED that the Commission's Executive Secretary shall provide the Federal Communications Commission and the Universal Service Administrative Company a certified copy of this Order designating Telrite Corporation as an Eligible Telecommunications Carrier solely to provide Lifeline and Link Up services to all qualifying customers who request such service in West Virginia, and that Telrite will not seek access to funds from the federal Universal Service Fund for the purpose of providing service to high cost locales.

IT IS FURTHER ORDERED that Telrite Corporation be, and hereby is directed, to publish the Notice of ETC Status, attached as Appendix A, as a Class I legal advertisement once in a newspaper duly qualified by the Secretary of State, published and generally circulated in each of the 19 cities designated for statewide legal publications.

IT IS FURTHER ORDERED that this matter be, and hereby is, removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Executive Secretary serve a copy of this order upon the Commission by hand delivery; by electronic service upon all parties of record who have filed an eservice agreement with the Commission; and by United States Certified Mail, return receipt requested, upon all parties of record who have not filed an e-service agreement with the Commission.

Leave hereby is granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this Recommended Decision is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this Recommended Decision shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's recommended decision by filing an appropriate petition in writing with the Executive Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's recommended decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

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Ronnie Z. M<sup>©</sup>Cann
Deputy Chief Administrative Law Judge

RZM:s 101306aa wpd

Appendix A Page 1 of 2

# PUBLIC SERVICE COMMISSION OF WEST VIRGINIA CHARLESTON

CASE NO. 10-1306-T-PC

## TELRITE CORPORATION

Petition for consent and approval to be designated an eligible telecommunications carrier.

## NOTICE OF ETC STATUS

On August 18, 2010, Telrite Corporation (Telrite), a public telephone utility, Covington, Georgia, filed a petition with the Public Service Commission, pursuant to Section 214(e)(2) of the Telecommunications Act of 1934, as amended (Act), seeking designation as an eligible telecommunications carrier (ETC) throughout West Virginia for the purposes of receiving federal universal service fund (USF) support for providing wireline and wireless services through various low-income programs. The Commission previously authorized Telrite to provide resold and facilitiesbased local exchange service throughout West Virginia as a competitive local exchange carrier. Telrite meets all of the qualifications necessary to be designated as an ETC under Act §214(e)(1) solely to provide services supported by and participating in the low income programs of the USF. Telrite provides CLEC services throughout West Virginia and is committed to provide those services at reasonably priced rates to areas where such services are not currently available. Telrite's offer in this case includes providing a handset at no cost to the subscriber. Telrite's proposal is to supplement, and not detract from, its current service offerings, and does not seek ETC designation beyond the geographic area for which it already has received certification. Telrite's proposal would benefit wireline and wireless customers by increasing customers' competitive choices; increasing the customers' geographical local calling areas by providing the customers with this service for a preset amount of air time at no charge, with the flexibility to purchase additional air time (with 911 and E911 services not using air time minutes); and otherwise make Telrite's service offering more appealing and valuable to its customers, outweighing any potential harms. Telrite provides Lifeline and Link-Up services that benefit needy low-income consumers, which enables many to obtain wireline and/or wireless services who otherwise would not be able to obtain those services.

According to the Commission's guidelines, a carrier seeking ETC status must advertise, on a quarterly basis, in media targeted to the general residential market throughout the carrier's service areas and substantially similar to the media in which the serving incumbent local exchange carrier advertises its service in the particular service area. In addition, such carriers must maintain an Internet site where members of the public can obtain information regarding services and rates provided by the carrier. The Telrite site is located at <a href="http://www.telrite.com">http://www.telrite.com</a>. The Life Wireless site is located at <a href="http://www.telrite.com">http://www.telrite.com</a>. The Life Wireless site is located at <a href="http://www.telrite.com">http://www.telrite.com</a>. The Life Wireless site is located at <a href="http://www.telrite.com">http://www.telrite.com</a>.

Appendix A Page 2 of 2

Also, carriers seeking ETC status must offer the supporting services required by §214(e)(2). These services include: voice-grade access to the public switched telephone network; local usage; dual tone multi-frequency signaling or its functional equivalent; single party service or its functional equivalent; access to emergency services; access to operator services; access to interexchange service; access to directory assistance service; and toll limitation for qualifying low income subscribers. Telrite is capable of providing all of these required service offerings and currently is offering them in its service territory.

By Recommended Decision entered on December 2, 2010, Telrite's petition was granted. Telrite will provide these services under the name of Life Wireless.

This Notice is being provided in accordance with the Commission's requirements and is not for the purpose of seeking public comment or protest.

TELRITE CORPORATION

# **EXHIBIT 7**

Ready Wireless, LLC August 26, 2011

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of

Lifeline and Link Up Reform and
Modernization

Federal-State Joint Board on Universal Service

Lifeline and Link Up

WC Docket No. 11-42

CC Docket No. 96-45

WC Docket No. 96-45

#### DECLARATION OF DENNIS HENDERSON

- My name is Dennis Henderson and I am the President of Ready Wireless, LLC ("Ready Wireless"). My business address is 955 Kacena Road, Suite A, Hiawatha, IA 52233. My job responsibilities include managing all matters that affect Ready Wireless before federal and state regulatory agencies and legislative bodies.
- 2. Ready Wireless is a wireless provider that provides service to low income consumers through several business initiatives. It's retail brand, Ready Mobile PCS ("Ready Mobile"), is a national prepaid wireless brand found in 30,000 locations. Ready Mobile also recently launched an universal Lifeline reload program called Airfair, which allows customers of participating eligible telecommunications carriers ("ETCs") to buy reload minutes when their free airtime runs out. Finally, the company has filed applications with the Commission, as well as certain states and territories, to gain status as a wireless ETC. The purpose of this declaration is to support the Link Up for America Coalition's comments, filed in the above-captioned dockets, in response to the Commission's Public Notice regarding Further Inquiry Into Four Issues in the Universal Service Lifeline/Link Up Reform and Modernization Proceeding, including proposals to eliminate or severely limit Link Up.

Ready Wireless, LLC August 26, 2011

3.

CONFIDENTIAL INFORMATION

5.

4.

Ready Wireless, LLC August 26, 2011

## CONFIDENTIAL INFORMATION

6. The example I explained above illustrates what would likely happen if the Lifeline market in other states were left to the two big nationwide footprint ETCs – TracFone and Virgin Mobile. The absence of Link Up funding creates that duopoly. In the absence of Link Up, few, if any competitors materialize. In the absence of competition, innovative distribution arrangements will fail to take hold and the benefits that would go with – healthcare cost reduction and increased enrollment in Lifeline and Link Up – will go unrealized.

I assert under penalty of perjury that the foregoing is true and correct to the best of my information and belief. This concludes my declaration.

Ready Wireless, LLC

Bv:

Dennis Henderson

President

Executed on August 26, 2011